Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Labor Committee

HB 1074

Brief Description: Ensuring the accuracy of prevailing wage survey data provided by interested parties.

Sponsors: Representatives Manweller, Condotta and Magendanz.

Brief Summary of Bill

• Requires the Department of Labor and Industries to notify a contractor when a third party has filed a wage survey on the contractor's behalf without obtaining the contractor's signature on the wage survey.

Hearing Date: 1/20/15

Staff: Trudes Tango (786-7384).

Background:

State law requires that prevailing wages be paid to laborers, workers, and mechanics employed upon all public works and under all public building service maintenance contracts. Public work means all work, construction, alteration, repair, or improvement other than ordinary maintenance that is executed at the cost of the state or any municipality.

The prevailing wage is the hourly wage, usual benefits, and overtime paid in the largest city in each county, to the majority of workers, laborers, or mechanics in the same trade or occupation. If there is not a majority in the same trade or occupation paid at the same rate, then an average wage is calculated and established as the prevailing wage.

To establish the prevailing wage for the various trades and occupations, the industrial statistician of the Department of Labor and Industries (Department) conducts wage surveys.

Surveys are sent to businesses that employ workers within the trade or occupation being survey and labor unions representing workers in those trades and occupations. Interested parties may

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also submit survey forms. "Interested parties" is defined to include contractors, subcontractors, employees, and organizations whose members' wages, benefits, and conditions of employment are affected by the prevailing wage laws.

Interested parties may submit survey data using wage and hour data from the prevailing wage affidavits that contractors are required to file on public works projects or from certified payroll records. With the exception of labor unions filing on behalf of signatory contractors, interested parties must attach copies of these source documents to the survey form.

Participation in the survey is not required.

Summary of Bill:

When an interested party submits a wage survey form on behalf of a contractor or employer and the contractor or employer has not signed the survey form, the Department must send a copy of the form to the contractor or employer. The Department must notify the contractor or employer that:

- 1. If the contractor or employer does not dispute the accuracy of the data on the form, the contractor or employer need not respond and no action is required on the contractor's or employer's part.
- 2. If the contractor or employer disputes the accuracy of the data, it may notify the Department. If the contractor or employer intends to provide certified payroll records to the Department, it must do so within 30 days of receiving the Department's notice.

Appropriation: None.

Fiscal Note: Requested on January 12, 2015.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.